GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:4442
ANSWERED ON:22.12.2005
FREIGHT TERMINALS
Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways have signed a MoU with the Central Warehousing Corporation to develop a network of freight terminals to provide single window service including loading/unloading, storage and road-bridging, at the originating and destination points;

(b) if so, the details of terms and conditions thereof;

(c) the number of freight terminals identified for the purpose, zone-wise; and

(d) the steps taken by the Railways to streamline the freight services to boost the earnings of Railways?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a) Yes, Sir.

(b) to (d) A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF THE UNSTARRED QUESTION NO. 4442 BY SHRI ANANDRAO V. ADSUL AND SHRI RAVI PRAKASH VERMA TO BE ANSWERED IN LOK SABHA ON 22.12.2005 REGARDING FREIGHT TERMINALS.

(a) The broad terms and conditions as envisaged in the MoU are as under:

(i) Railway will provide land on lease for a period of 30 years to Central Warehousing Corporation (CWC) who will construct railway siding for the purpose of development of warehousing complexes. The lease period can be extended further on mutually agreed period between Railway and CWC.

(ii) CWC will construct, develop and maintain the entire warehousing complexes at their own cost on the leased railway land. The common facilities like approach roads, circulating areas, lighting and fencing etc will be provided by CWC at their own cost. Additional godowns can also be constructed by Railways or any other authorized party at the same rail terminal.

(iii) Railway Administration will charge a nominal lease rent @ Re 1/- (one rupee) per sq. meter per annum for the lands leased to CWC.

(iv) 5% of the Gross Revenue from the third year of the agreement shall be railways' share.

(v) CWC will provide loading/unloading facilities and total logistics through storage/delivery/distribution by road to the door steps of the users.

(vi) CWC will provided state-of-the-art warehousing and handling facility in tune with technological upgradation and the facilities offered by other competing modes of transport so as to attract the customers to avail of facilities available at the complex.

(vii) CWC, making full use of the logistics services and the infrastructure available at the Warehousing complexes will act as marketing partner of the Railways to improve the share of Railways in transport sector by (a) aggregation of piecemeal traffic for outward movement in block rakes, and (b) storage, handling and road bridging/distribution of inward traffic received in block rakes.

(b) 22 locations have been identified for development of warehousing complexes. The zone wise details are as under :
Central Railway − 5, Eastern Railway − 3, East Coast Railway -2, Northern Railway − 4, North Central Railway − 2, Southern Railway − 1, South Central Railway-1, South Eastern Railway- 1, Western Railway − 1 and West Central Railway-2.

(c) To streamline the freight service and to boost the earnings of Railway, the following steps have been taken :- i. The siding rules have been liberalized and made customer friendly. ii. A new scheme called "Engine-on-Load (EOL)" wherein the train engine waits

during loading/unloading operations, was introduced to get faster release and better ava ilability of wagons. iii. In order to encourage public-private partnership in procurement of wagons and attract additional traffic to the Railways, a scheme called "Wagon Investment Scheme (WIS)" has been introduced by Railways. iv. In addition to CWC, state-of-the-art Rail Side Warehouse Complexes shall be developed through public-private partnership. v. Container Corporation of India Ltd. (CONCOR), a public sector undertaking (PSU) is also playing a vital role in attracting export/import cargo through containerized movement. vi. 10% concession in freight rate to the incremental traffic booked from sidings during the period December 2005 to January 2006. vii. 20% concession in freight rate for incremental traffic booked from sidings in the notified empty flow directions of wagons. viii. 15% concession in freight rate to the incremental traffic booked from sidings during the non-peak period i.e. from July to September. ix. Powers have been delegated to the General Managers of the Zonal Railways to give Station-to-Station Rates to attract incremental traffic.